

## Loans to churches uncovered in Middletown

There's another revelation about loans by town leaders in Middletown. Documents show the town paid out nearly 60-thousand dollars since 1999 in interest-free loans to three churches. The loans are detailed in documents obtained by The News Journal under the Freedom of Information Act. The wording of the loan agreements gives the borrowers flexible repayment conditions, allowing them to pay back the money at the end of the loan term. Mayor Ken Branner signed all three agreements but has not returned phone messages from the newspaper. Town Manager Morris Deputy is on vacation. The town came under scrutiny in June after it was revealed the town had given out 265-thousand dollars in interest-free loans to 31 town employees. Copyright 2006 Associated Press. All rights reserved. This material may not be published, broadcast, rewritten, or redistributed.

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